

ATTACHMENT 11

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF MARYLAND**

**IN THE MATTER OF THE
COMPLAINT OF CLOSECALL
AMERICA, INC. V. VERIZON
MARYLAND INC.**

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CASE NO. 8927

DIRECT TESTIMONY

OF

Thomas E. Mazerski

**ON BEHALF OF
CLOSECALL AMERICA, INC.**

August 23, 2002

1 Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

2 A. My name is Thomas E. Mazerski; my business address is 101A Log
3 Canoe Circle, Stevensville, Maryland 21666

4

5 Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

6 A. I am the President and Chief Executive Officer of CloseCall America, Inc.
7 ("CloseCall"), a Maryland-based telecommunications company. I am also
8 an original founder of the company.

9

10 Q. PLEASE DESCRIBE YOUR QUALIFICATIONS.

11 A. My work history and education may be found in Attachment TEM-1.

12

13 Q. WHAT TYPE OF SERVICE DOES YOUR COMPANY PROVIDE?

14 A. CloseCall offers local, long distance, digital wireless and dial-up Internet
15 services.

16

17 Q. WHAT TYPES OF CUSTOMERS AND WHICH MARKETS DO YOU
18 CURRENTLY SERVE?

19 A. CloseCall subscribers are primarily residential consumers and small
20 businesses in the states of Maryland, Delaware, New Jersey, Indiana,
21 Wisconsin, Michigan and Ohio. The majority of our customers are in
22 Maryland.

23

1

2 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

3 A. The purpose of my testimony is to support CloseCall's complaint against
4 Verizon Maryland, Inc. ("VZ-MD" or "Verizon") which requested that the
5 Public Service Commission of Maryland (the "Commission") direct Verizon
6 to provide wholesale access to voice messaging and "line-sharing" digital
7 subscriber line ("DSL") services that can be provided on customer loops
8 that are also used for local telephone services provided by Verizon's
9 competitors. CloseCall specifically requests that the Commission direct
10 Verizon to provide such access in the same manner as Verizon provides
11 wholesale access to its other retail services including call waiting and
12 caller-ID. CloseCall further requests that the Commission direct Verizon
13 to end its practice of abruptly disconnecting voice messaging and line-
14 sharing DSL services subscribed to by residential consumers and small
15 businesses if they choose to subscribe to CloseCall's competitive local
16 telephone services. In addition, CloseCall requests that the Commission
17 direct Verizon to immediately discontinue its discriminatory policy of
18 refusing to provide voice messaging and line-sharing DSL services to
19 residential consumers and small businesses that subscribe to competitive
20 local telephone services.

21

22 CloseCall America is a reseller of local exchange services in the State of
23 Maryland. The Federal Telecommunications Act of 1996 (the "Federal

1 Telecommunications Act”) provides that competitive local exchange
2 carriers (“CLECs”) may utilize, without prejudice or discrimination, any or
3 all of four different market-entry strategies: (1) resale, (2) interconnection,
4 (3) access to unbundled network elements (“UNEs”), or (4) the
5 deployment of new facilities. By structuring the market entry provisions of
6 the Federal Telecommunications Act in this manner, Congress clearly
7 indicated its specific intent that local service resale is one of the
8 fundamental catalysts for the creation of local competition. Consequently,
9 the Federal Telecommunications Act clearly establishes that CLECs, like
10 CloseCall, have a right to utilize resale of an incumbent local exchange
11 carrier’s retail telecommunications services as a means for providing
12 selected services to local customers in competition with that incumbent
13 carrier, and that CLECs may not be subjected to prejudice or
14 discrimination because of their choice to provide selected services on a
15 resale basis.

16
17 Congress established this rubric of multiple, co-equal market entry
18 strategies to ensure that new, competitive companies are free to exercise
19 their own best judgment when crafting their strategy for local market entry.
20 As a result, a competitive entrant may choose to utilize resale and a
21 limited product offering to enter a local telephone market in a prudent and
22 lower-risk manner. A different competitive entrant, however, may be less
23 risk-adverse and pursue a strategy of offering to its customers a more

1 diverse portfolio of products or by undertaking the time and expense of
2 constructing new, but potentially redundant, telecommunications facilities.

3
4 When it promulgated the Federal Telecommunications Act, Congress
5 sought to reap the free-market benefits of entrepreneurial creativity by
6 clearly establishing that it is not necessary to be a geographically-
7 dominant, vertically-integrated carrier in order to be a successful provider
8 of local exchange services. Sensitive to the geographic and cultural
9 diversity of the local telecommunications market, however, Congress also
10 reserved for the states substantial authority over the rates, terms, and
11 other practices associated with local resale and interconnection. In so
12 doing, Congress made it clear that the Federal Telecommunications Act
13 was not intended to disrupt the existing balance of state and federal
14 authority over telecommunications services or to cause important local
15 nuance to be lost in a purely federal regulatory system.

16
17 Nevertheless, despite its clear duty to comply with the letter and spirit of
18 the Federal Telecommunications Act, Maryland's Public Utility Companies
19 Law and regulations, and its obligation to act in a manner that promotes
20 the public interest, Verizon is improperly leveraging its overwhelming local
21 market power and position to prevent residential consumers and small
22 businesses from obtaining local exchange service from CloseCall on lines
23 provisioned with Verizon's voice messaging or high-speed, DSL Internet

1 access services – which are highly valuable to those market segments - in
2 order to compel those residential consumers and small businesses to
3 subscribe exclusively to Verizon's local exchange service. In addition,
4 Verizon refuses to provide voice messaging and DSL services to
5 customers subscribing to competitive local carriers unless those
6 customers cancel their CloseCall or other competitive-provided local
7 exchange service and re-subscribe to Verizon's local exchange service.
8 This practice is unfair, anti-competitive, blocks CloseCall's entry into the
9 local exchange market, and is contrary to the public interest.

10
11 Q. PLEASE PROVIDE AN OVERVIEW OF YOUR TESTIMONY.

12 A. I will describe to the Commission how Verizon employs certain anti-
13 competitive business practices and policies that substantially interfere with
14 CloseCall's ability to provide local telephone service to its existing and
15 potentially new customers in Maryland. I will demonstrate to the
16 Commission how Verizon's anti-competitive business practices and
17 policies handicap CloseCall's marketing and customer retention efforts
18 and unjustifiably restrict the freedom of Maryland consumers and small
19 businesses to obtain the competitive telecommunications services that
20 they desire from the vendor of their choice. In addition, I will show how
21 Verizon's anti-competitive practices are harmful to competitive entry and
22 contrary to consumer interests.

1 Q. PLEASE PROVIDE AN OUTLINE OF YOUR TESTIMONY.

2 A. In the first part of my testimony, I will provide an overview of voice
3 messaging service and describe Verizon's specific acts and policies that
4 relate to the provision of voice messaging services. Thereafter, I will
5 discuss the anti-competitive and anti-consumer effects of those acts and
6 policies and the specific harm that CloseCall has suffered as a result.
7 Finally, I will respectfully propose a means by which the Commission may
8 resolve this anti-competitive situation and affirm the ability of Maryland's
9 residential consumers and small businesses to obtain local telephone
10 services from the provider of their choice, without the interference of
11 Verizon's artificial restrictions.

12

13 In the second part of my testimony, I will discuss the provision of DSL
14 broadband service in a "line-sharing" fashion – that is on the same
15 telephone line, or "loop," that a customer also uses for traditional local
16 telephone service. I will thereafter describe Verizon's artificial restrictions
17 on the availability of line-sharing DSL services to residential consumers
18 and small businesses. Next, I will discuss the anti-competitive and anti-
19 consumer effects of Verizon's restrictive acts and policies. Finally, I will
20 respectfully propose a means by which the Commission may resolve this
21 anti-competitive situation and affirm the ability of Maryland's residential
22 consumers and small businesses to obtain, without Verizon's artificial
23 restrictions, local telephone services from the provider of their choice.

1

2 In the third and final part of my testimony, I will discuss the Commission's
3 authority to resolve this matter and the remedies that other state
4 regulatory and legislative bodies have implemented to terminate Verizon's
5 use of similar anti-competitive practices involving voice messaging and
6 line-sharing DSL services.

7

8

I. VOICE MESSAGING

9

10 Q. HOW DO YOU DEFINE VOICE MESSAGING SERVICES?

11 A. Voice messaging services provide to local telephone customers the ability
12 to record and store incoming messages when their telephone line is busy
13 or cannot be answered. Voice messaging services can also provide a
14 number of additional functions, including mailbox-to-mailbox messaging,
15 group lists, scheduled pre-recorded reminders and wake up calls, and
16 notification by pager of new voice messages.

17

18 Q. WHAT TYPES OF CUSTOMERS TYPICALLY SUBSCRIBE TO VOICE
19 MESSAGING SERVICES?

20 A. Voice messaging service subscribers are generally residential consumers
21 and small businesses, such as independent retail stores and restaurants,
22 that do not operate on a scale or at a level of technological sophistication

1 that would reasonably justify an investment in the hardware or other
2 resources required to self-provision voice messaging services.

3

4 Q. HOW WOULD YOU DESCRIBE VERIZON'S PRACTICES AND
5 APPARENT POLICIES REGARDING THE PROVISION OF VOICE
6 MESSAGING SERVICES?

7 A. In Maryland, Verizon refuses to provide voice messaging services to
8 residential consumers and small businesses that obtain their local
9 telephones services from competitive carriers such as CloseCall. In
10 addition, if a consumer or small business that subscribes to Verizon's
11 voice messaging and local telephone service chooses to subscribe to a
12 competitive local telephone service, Verizon will immediately terminate
13 that customer's Verizon voice messaging service, without even providing
14 advance notice that it will do so. Verizon only allows consumers and small
15 businesses that choose Verizon's local telephone services to keep or add
16 Verizon's voice messaging services to their local telephone lines.

17

18 Fundamentally, Verizon's policy in the residential consumer and small
19 business markets is to tie together the provision of Verizon's local
20 exchange service and voice messaging service. In other words, a
21 residential or small business customer cannot switch to CloseCall's local
22 telephone services if he or she wants to keep their Verizon voice
23 messaging service. By the same token, if a CloseCall local telephone

1 customer wants to subscribe to Verizon's voice messaging service,
2 Verizon requires that the customer first terminate CloseCall's local
3 telephone service and replace it with Verizon's local telephone service.
4 This arbitrary "tie-in" policy substantially undermines CloseCall's efforts to
5 attract and keep new customers in Maryland, and currently prevents
6 CloseCall from providing local telephone service to approximately 10% of
7 its potential new customers. Moreover, this restriction severely
8 disadvantages Maryland's residential consumers and small business
9 owners who are unable to obtain local telephone service from the provider
10 of their choice because doing so would require them to forego their current
11 voice messaging service.

12
13 Q. CAN YOU DESCRIBE SPECIFIC ACTS OR PRACTICES THAT
14 ILLUSTRATE VERIZON'S PRACTICES AND POLICIES WITH RESPECT
15 TO THE PROVISION OF VOICE MESSAGING SERVICES?

16 A. Yes. When a customer elects to switch their local telephone service from
17 Verizon to CloseCall, Verizon terminates the customer's access to their
18 voice messaging service immediately, without warning, and without
19 offering any alternative option for maintaining voice messaging service
20 except re-subscribing to Verizon's local telephone service. Suddenly
21 terminating a subscriber's voice messaging service in this manner –
22 without providing reasonable warning or service alternatives – causes
23 substantial consumer disruption and inconvenience.

1

2 We have observed that this practice has been particularly punitive and
3 unfair to our new customers. Specifically, Verizon does not always fully
4 remove the voice mail answering functionality from the switching
5 customer's line. Rather, Verizon merely blocks the customer's access to
6 their voice mailbox. As a result, incoming calls can receive a system error
7 code after briefly ringing the customer's telephone, making it difficult or
8 impossible for CloseCall's customers to answer their telephone calls and
9 precluding their use of answering machines or other call-answering
10 services.

11

12 In addition to being treated by Verizon in this callous manner, customers
13 have also lost their ability to access the messages that they saved before
14 Verizon unilaterally terminated their service. Moreover, when our
15 customers have reportedly called Verizon to try to resolve these problems,
16 they are told that they must switch all of their local services back to
17 Verizon in order to restore their voice messaging functionality. Even if the
18 customer re-subscribes to Verizon's local telephone services in order to
19 restore their voice messaging service, however, they soon learn that their
20 previously-programmed greetings, reminders, personal messages and
21 saved messages are no longer available.

22

1 Q. WHY CAN'T CUSTOMERS SIMPLY OBTAIN VOICE MESSAGING
2 SERVICE FROM AN ALTERNATIVE PROVIDER?

3 A. Although alternative providers of voice messaging services exist and
4 provide service in certain markets, no provider except Verizon serves the
5 entire State of Maryland in a comprehensive manner. In addition, voice
6 messaging service providers are especially scarce in the less-populated
7 markets that CloseCall often serves. Consequently, it is not practicable or
8 even possible for CloseCall to arrange a cooperative agreement with an
9 alternative voice messaging service provider for the provision of such
10 services to CloseCall customers.

11
12 Moreover, Verizon's voice messaging service includes unique features
13 and capabilities that are especially important to residential consumers and
14 small businesses and that are not practically available from other sources.
15 For instance, "stutter dial tone," which is, to my knowledge, only available
16 from Verizon, is an important feature that notifies consumers that they
17 have voice mail. Without stutter dial tone, voice messaging customers
18 would have to place frequent telephone calls to their voice messaging
19 service to check for new voicemails. Although Verizon may claim that
20 CLECs can obtain technology and equipment in order to simulate stutter
21 dial tone, CloseCall has found no vendors in Maryland that can provide
22 seamless and uninterrupted services or functionality that is equivalent to
23 Verizon's service.

1

2 Even if Verizon makes available to CLECs specific technical aspects of its
3 voice messaging services, such as simplified message desk interface
4 ("SMDI") links and other voice messaging facilities, most CLECs,
5 especially resellers such as CloseCall, gain nothing because they still lack
6 the ability to provide to their customers voice mail functionality.
7 Consequently, the availability of SMDI and other individual functions that
8 are used by voice messaging systems does not alleviate the competitive
9 harm and customer inconvenience caused by Verizon's requirement that
10 customers must disconnect their existing Verizon voice messaging service
11 if they choose to subscribe to a competitive local telephone company.

12

13 Furthermore, in order to switch to a new voice messaging system,
14 customers must adapt to a new and different voice messaging system that
15 may be substantially different from the one they previously used,
16 reprogram their call-forwarding processes, adjust to new voice messaging
17 access telephone numbers, re-program auto-dialers to reach those
18 numbers, and set up new passwords and greetings. These additional
19 inconveniences and burdens are a substantial disincentive for customers,
20 especially residential consumers and small business owners who will not
21 subscribe to competitive local telephone services like CloseCall's if their
22 experience will be fraught with inconvenience and service interruptions.

1 Rather, our experience is that it is unreasonable to expect potential
2 customers to put up with such substantial difficulties.

3
4 Q. WHY CAN'T CLOSECALL CHANGE ITS BUSINESS PLAN AND
5 PROVIDE VOICE MESSAGING SERVICE ON ITS OWN?

6 A. Emerging local exchange carriers, including CloseCall, cannot reasonably
7 finance the equipment and facilities necessary to recreate the level of
8 functionality that Verizon's voice messaging services currently provide.
9 Even if CloseCall made the significant investment necessary to establish
10 such services, CloseCall would still lack the capability to provide voice
11 messaging functionality in the seamless and uninterrupted manner that
12 consumers rightfully expect.

13
14 In addition, the Telecommunications Act does not require that competitive
15 carriers purchase specific equipment or other facilities in order to enter
16 new markets. As I noted earlier in my Testimony, the Federal
17 Telecommunications Act provides that CLECs may utilize, without
18 prejudice or discrimination, any or all of four different market-entry
19 strategies: (1) resale, (2) interconnection, (3) access to unbundled network
20 elements ("UNEs"), or (4) the deployment of new facilities. CloseCall's
21 business plan was developed with reliance on this paradigm. It would be
22 contrary to the design and intention of the Federal Telecommunications
23 Act to discriminate against or otherwise unjustifiably disadvantage a

1 CLEC, such as CloseCall, merely because it seeks to use one legitimate
2 form of market entry rather than another.

3
4 Q. IN WHAT WAYS DO VERIZON'S PRACTICES AND POLICIES AFFECT
5 CLOSECALL'S CUSTOMERS AND POTENTIAL CUSTOMERS?

6 A. A Verizon voice messaging service customer who switches to CloseCall's
7 local exchange service can meet with a number of unpleasant
8 experiences that can lead to substantial confusion and inconvenience.

9
10 Q. CAN YOU PROVIDE SPECIFIC EXAMPLES OF VERIZON'S
11 TREATMENT OF VOICE MESSAGING CUSTOMERS WHO HAVE
12 SWITCHED TO CLOSECALL'S LOCAL TELEPHONE SERVICE?

13 A. Yes. For example, many customers have several important messages
14 saved on their voice mail service. Many customers also make frequent
15 use of other helpful voice messaging functions, such as the ones that I
16 have described above. If that customer decides to subscribe to
17 CloseCall's local telephone service, rather than Verizon's, Verizon
18 unilaterally cancels that customer's voice messaging service, without
19 warning or notice to the customer. In addition, Verizon terminates that
20 customer's access to their saved messages and other stored data, leaving
21 the customer no opportunity to retrieve or restore their personal
22 information and no opportunity to set up a new voice messaging solution
23 without suffering a service interruption.

1

2 If the customer nevertheless remains with CloseCall, Verizon often
3 continues to forward the customer's telephone number to the Verizon host
4 voice messaging system. As a result, callers attempting to reach that
5 customer hear the following type of message: "Welcome to Verizon's
6 Voice Messaging Service. To enter your mailbox press star. Otherwise
7 please redial the number you are calling." If the caller hits the star key,
8 the system responds with "voice mail not active" and the caller cannot
9 leave a message. Of course, when the caller redials the customer's
10 telephone number, he or she will only be greeted again by the erroneous
11 Verizon message. This situation will persist until CloseCall intervenes to
12 enter an order requesting that Verizon cease forwarding the customer's
13 incoming calls to the voice messaging service that Verizon had unilaterally
14 decided to disconnect.

15

16 Q. APPROXIMATELY HOW MANY CUSTOMERS DOES CLOSECALL
17 LOSE DUE TO VERIZON'S REFUSAL TO RESELL VOICE MAIL TO
18 CLOSECALL OR TO PROVIDE IT DIRECTLY TO CLOSECALL'S
19 CUSTOMERS?

20 A. CloseCall has performed an internal audit and has determined that
21 approximately 10 percent of our new service orders come from customers
22 who subscribe to Verizon's voice mail. Rather than intentionally cause
23 inconvenience and generate problems for our potential customers, we

1 have adopted the practice of explaining to these customers that if they
2 subscribe to CloseCall's local telephone service, Verizon will immediately
3 cancel their voice messaging service and bar their access to their stored
4 messages and other saved data and that the customer's telephone
5 service will be interrupted for an indeterminate time period if Verizon fails
6 to properly disconnect the call forwarding element of their voice
7 messaging service. So far, we have had approximately 1,300 new
8 customers cancel their orders for CloseCall local telephone service
9 because they did not want to suffer these inconveniences or lose their
10 access to Verizon voice messaging service.

11
12 Q. CAN CLOSECALL PROVIDE SPECIFIC EXAMPLES OF CUSTOMERS
13 WHO REQUESTED CLOSECALL LOCAL TELEPHONE SERVICE BUT
14 HAD TO BE TURNED AWAY OR WHO HAVE EXPERIENCED THESE
15 PROBLEMS WHEN THEY SWITCHED TO CLOSECALL'S LOCAL
16 TELEPHONE SERVICE?

17 A. Yes. We have recorded literally hundreds of such examples. In addition,
18 when I was a Verizon employee, I subscribed to Verizon's voice mail
19 service at my home. After I left Verizon and became associated with
20 CloseCall, I switched to CloseCall's local telephone services. As a result
21 of that change, I personally experienced the problems and inconveniences
22 that I have described above. Furthermore, I am still fighting with Verizon's
23 collections department, which continued to bill me for voice messaging

1 service well after unilaterally terminating my account, and still maintains
2 that I owe money to Verizon for services that it refused to provide to me.

3
4 Q. APPROXIMATELY HOW MUCH REVENUE HAS CLOSECALL LOST AS
5 A DIRECT RESULT OF VERIZON'S REFUSAL TO PROVIDE VOICE
6 MESSAGING SERVICES TO CUSTOMERS WHO WOULD SUBSCRIBE
7 TO CLOSECALL'S LOCAL TELEPHONE SERVICE?

8 A. To date I estimate that CloseCall has lost approximately \$1 million in
9 potential revenue. This is based on the number of customers we have had
10 to turn away with an average service life of 24 months.

11
12 Q. WHY CAN'T CLOSECALL JUST COMPLETE THESE SERVICE
13 ORDERS REGARDLESS OF THE EFFECT OF DOING SO ON ITS NEW
14 CUSTOMERS?

15 A. CloseCall is a new company and is building a good reputation with our
16 customers. To knowingly complete these orders and cause massive
17 customer confusion would be irresponsible, contrary to the interests of the
18 general public, and is not something we will ever consider.

19
20 Q. HAS VERIZON ATTEMPTED TO PROVIDE AN EXPLANATION FOR
21 THE SPECIFIC INCONVENIENCE SUFFERED BY CUSTOMERS WHO
22 ARE DISCONNECTED FROM VERIZON'S VOICE MESSAGING

1 SERVICES IN RESPONSE TO THE CUSTOMERS' DECISION TO
2 SUBSCRIBE TO CLOSECALL'S LOCAL TELEPHONE SERVICE?

3 A. Verizon has attempted to explain that this problem is related in some way
4 to the fact that it permits resale of the call forwarding service that directs
5 unanswered calls to its voice messaging service, although it refuses to
6 resell voice messaging functionality to CloseCall. In addition, Verizon may
7 also fail to modify its retail billing system to reflect its termination of the
8 customer's voice messaging service. Consequently, other former Verizon
9 voice messaging service customers who have switched to CloseCall may
10 also receive erroneous past due payment and dunning notices for the
11 voice messaging service that Verizon refuses to provide to them.

12
13 Q. DO VERIZON'S EXPLANATIONS OR OTHER EFFORTS PROVIDE ANY
14 RELIEF FROM THE EFFECT THAT ITS POLICIES HAVE ON
15 CUSTOMERS AND COMPETITORS, INCLUDING CLOSECALL?

16 A. No. Regardless of Verizon's attempt to rationalize this behavior, Verizon's
17 internal practices and policies continue to penalize its voice messaging
18 service subscribers who choose to subscribe to a competitive carrier's
19 local telephone service. Verizon's anti-competitive "tie-in" of local
20 telephone service with its voice messaging service is detrimental to
21 residential consumers and small businesses in Maryland, as well as the
22 competitive local telephone companies that seek to serve them.

23

1 Q. WHY WOULD VERIZON BE SO RELUCTANT TO PROVIDE RESALE
2 ACCESS TO ITS VOICE MESSAGING SERVICE AND TO OTHERWISE
3 DENY ACCESS TO THAT SERVICE BY CUSTOMERS UTILIZING
4 COMPETITIVE LOCAL EXCHANGE CARRIERS?

5 A. Verizon has performed a number of studies to analyze, profile, segment
6 and score its customer base. Verizon has learned through these studies
7 that "high-value" customers, namely those who subscribe to premium
8 features such as voice messaging and high-speed broadband services, as
9 well as those customers who have high long distance and wireless
10 telecommunications usage and bills are the company's most profitable
11 "combined" local telephone service customers. By comparison, customers
12 who subscribe to only local telephone service, do not make many long
13 distance telephone calls, and otherwise forego premium calling services,
14 broadband services and wireless telephone service are substantially less
15 profitable. Thus, by refusing to provide its premium voice messaging
16 service to CLECs such as CloseCall, and by disconnecting voice
17 messaging service in a manner that particularly inconveniences customers
18 who switch to competitive local services, Verizon is creating a situation
19 wherein consumers associate switching to a competitive local telephone
20 company with telephone service interruptions and other problems. This
21 situation hurts the reputation of new entrants into the local telephone
22 market, even though the problems are caused by Verizon's own internal
23 practices and policies. In this manner, Verizon is able to leverage its

1 position as the dominant provider of voice messaging services (and many
2 other services as well) to residential consumers and small businesses and
3 handicap the competitive carriers, including CloseCall, who also seek to
4 provide local telephone services to those high-profit customers.
5

6 Q. DO VERIZON'S SPECIFIC PRACTICES AND POLICIES RELATING TO
7 ITS REFUSAL TO PROVIDE VOICE MESSAGING SERVICE TO
8 CUSTOMERS WHO DO NOT ALSO SUBSCRIBE TO VERIZON LOCAL
9 TELEPHONE SERVICE AFFECT ALL COMPETITIVE LOCAL
10 EXCHANGE CARRIERS EQUALLY?

11 A. Apparently not. CloseCall has become aware that Verizon has
12 established an arrangement with a company called Lightyear, under which
13 Verizon permits customers who switch to Lightyear's local telephone
14 service to keep or add Verizon's voice messaging service. This special
15 exception further discriminates unfairly against CloseCall by arbitrarily and
16 unjustifiably impairing its ability to compete against similarly situated
17 competitive local exchange carriers. Since learning of this situation,
18 CloseCall has requested that Verizon provide to CloseCall the same
19 treatment it is providing to Lightyear, but Verizon has thus far declined.
20

21 Q. WHAT DO YOU PROPOSE THAT THE COMMISSION DO TO RESOLVE
22 THIS SITUATION IN A MANNER THAT WILL MOST BENEFIT THE

1 INTERESTS OF MARYLAND'S RESIDENTIAL CONSUMERS AND
2 SMALL BUSINESSES?

3 A. As I have already discussed in detail, Verizon's systematic refusal to
4 permit residential consumers and small businesses to retain their Verizon
5 voice messaging services when they switch their local telephone service
6 provider from Verizon to CloseCall is inequitable to Maryland consumers,
7 undermines the Commission's efforts to foster local competition, and must
8 be remedied in a timely manner. Consequently, the Commission should
9 direct Verizon to provide to its competitors wholesale access to voice
10 messaging services in the same manner as it provides such access to call
11 waiting and caller-ID. At the very least, the Commission should direct
12 Verizon to provide, as a stand-alone and separately billed product, voice
13 messaging services to residential consumers and small businesses who
14 choose to obtain local telephone services from competitive carriers. In
15 addition, the Commission should specify that customers should not be
16 subjected to any service interruptions or provisioning delays when
17 obtaining resold or Verizon-provisioned voice messaging service in this
18 manner. Rather, Verizon should be directed to incorporate the
19 provisioning of voice messaging into its existing CLEC ordering
20 processes, in the same manner as it currently provides access to call
21 waiting and caller-ID services. Finally, if the Commission finds that
22 Verizon has been discriminating by allowing the customers of certain
23 CLECs to subscribe to Verizon's voice mail service while barring